

CHAPTER THREE: PERSONNEL POLICIES

SUBCHAPTER 3.05: BENEFITS

3.05.010 Eligibility

(a) *Annuitant.* "Annuitant" means a person of retirement age, who has had at least five years of service credit, who has retired within 120 days of separating from Town service, and who is receiving a retirement allowance under a contract between the Town and CalPERS, or a surviving family member, as defined by CalPERS, who is receiving the retirement allowance in place of the deceased member.

(b) *Employees and Dependents.* Eligibility of employees and dependents are prescribed by the governing contract between the Town of Colma and the insurance provider and the provisions of this Subchapter.

(c) *Employees Not Eligible.*

- (1) Temporary and casual employees are not eligible for the benefits described in this Subchapter except where required by federal and state law, by a contract with the employee, or as expressly provided in this Subchapter.
- (2) An eligible employee who works less than his or her normally scheduled hours or who is on a unpaid leave of absence will be responsible for paying a pro-rata share of the Town's contribution toward his or her benefits, except where required by federal and state law, by a contract with the employee, or as expressly provided in this Subchapter.
- (3) Individual insurance providers may exclude otherwise eligible employees from eligibility.

(d) *Retired Employees.*

- (1) A retired employee is entitled to paid medical and hospital benefits only if he or she qualifies as an Annuitant.
- (2) The Town shall pay medical and hospital benefits for a retired employee who was a member of the Colma Peace Officers Association or the Colma Police Communications/Records Association as provided in the Memoranda of Understanding between the Town and the applicable employee organization and for which the retired employee is eligible and enrolls. The Town shall pay medical and hospital benefits for all other retired employees through any plan offered by CalPERS under the Public Employees Medical Care and Hospital Act for which the retired employee is eligible and enrolls.
- (3) Notwithstanding the foregoing, the percentage of employer contribution payable for post-retirement health benefits for each retired employee first hired after July 1, 2012 shall be based on the employee's completed years of credited service as set forth Resolution 2012-13, adopted by the City Council on May 9, 2012.

Employees who are subject to the provisions of Section 22893 must have five years of service with the Town and at least ten years of total CalPERS service in order for the Employee to receive the Town contribution for medical benefits. The Section 22893 vesting schedule is set forth below:

<i>Credited Years of Service</i>	<i>Employer Contribution</i>
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20	100%

- (4) A retired employee who was first hired prior to May 1, 2010 is entitled to the same Town-paid dental benefits as are provided to current miscellaneous employees, provided that he or she qualifies as an Annuitant. An employee hired on or after May 1, 2010 is not entitled to Town-paid dental benefits.

[Reference: Gov't Code §§ 22754, 22760, 22775, 22893, 53201]

[History: Res 2010-13, 4/14/10; Res 2014-51, 12/10/14; Res 2016-01, 1/13/16]

(e) *Council Members:* Council Members are eligible for all benefits provided to non-safety employees except as prohibited or limited by law

(f) *Retired Council Members*

- (1) A retired Council Member is entitled to paid medical and hospital benefits only if he or she qualifies as an Annuitant.

- (2) A retired Council Member who was first elected to office before January 1, 1995 may be entitled to dental benefits. Each case must be examined to determine if all statutory requirements have been met.

(g) *Registered Domestic Partner.* A Registered Domestic Partner is entitled to all benefits that are granted to a spouse, e.g., medical, dental and disability insurance, pension, and death benefits for surviving spouses.

[Reference: GOV'T CODE §§ 22754, 22760, 22775, 53201]

[History: Res 2010-13, 4/14/10]

3.05.020 Regulations

The City Manager may establish reasonable rules and procedures for implementing this Subchapter, including cutoff dates by which an employee shall make an election for participating in any benefit plan.

3.05.030 Medical and Hospital Insurance

(a) Medical and hospital care benefits are provided to eligible employees under the provisions of the California Public Employees Medical and Hospital Care Act ("PEMHCA"). The following persons are eligible to participate in the Town's medical and hospital insurance for themselves and all eligible dependents in accordance with the terms of the medical and hospital insurance policy or policies provided under PEMHCA: regular employees, probationary employees, Council Members, and Annuitants.

(b) Except where an agreement with a Recognized Employee Organization provides otherwise, the Town shall contribute, for each eligible person, the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan. An eligible person who has applied for Annuitant status shall continue to be eligible to receive paid medical and hospital insurance for 120 days after separation from employment from the Town provided that such person is diligently pursuing his or her retirement application.

(c) An eligible employee who provides the Town with proof of other group medical and hospital insurance may receive \$250 per month in lieu of medical and hospital insurance.

(d) A Council Member shall be required to enroll in a medical and hospital insurance plan provided under PEMHCA. However, this requirement shall not apply to a Council Member who the Town determines is covered through other group medical and hospital insurance. In such instance, the Town shall contribute \$250 per month toward deferred compensation to the Council Member.

[Reference: GOV'T CODE §§ 22750-22755, 22800-22826]

[History: Adopted by Res 2008-03, 2/13/08; Amended by Res 2014-04, 2/13/14; Res 2016-01, 1/13/16]

3.05.040 Dental Insurance

(a) The following persons are eligible to participate in the Town's dental insurance plan for themselves and all eligible dependents in accordance with the terms of the dental insurance policy or policies provided by the Town: regular employees, probationary employees, Council Members and Annuitants.

(b) Notwithstanding the above, see section 3.05.010 (d)(2) for retired employees and (f)(2) for retired Council Members.

(c) The Town shall contribute, for each eligible person, the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan. An eligible person who has applied for Annuitant status shall continue to be eligible to receive paid dental insurance for 120 days after separation from employment from the Town provided that such person is diligently pursuing his or her retirement application.

3.05.050 Vision Plan

(a) The following persons are eligible to participate in the Town's vision plan for themselves and all eligible dependents in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and Council Members.

(b) The Town shall contribute, for each eligible person the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan.

3.05.060 COBRA

Under the Consolidated Omnibus Reconciliation Act of 1985 (COBRA), the Town offers terminated employees and qualified dependents the option to continue group health plan coverage on a self-pay basis at group rates that would otherwise have been lost due to circumstances such as divorce or termination of employment.

[Reference: Public Law 99-272]

3.05.070 Life Insurance

(a) The following persons are eligible to participate in the Town's life insurance plan in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and Council Members.

(b) The Town shall contribute, for each eligible person, the amount necessary to provide a \$50,000 life insurance policy. Benefits are reduced for covered participants at the age of 72.

3.05.080 Employee Assistance Program

(a) The Employee Assistance Program is a confidential way of obtaining professional help to reduce the impact of life and job problems for employees and their eligible dependents. The following persons are eligible to participate in the Town's Employee Assistance Program for themselves and all eligible dependents in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and Council Members.

(b) The Town shall contribute, for each eligible person the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan.

3.05.090 Long Term Care Program

(a) The Town participates in a Long Term Care Program sponsored by CalPERS. Any person eligible under the CalPERS plan may participate in the program.

(b) Contributions to this program are financed solely by eligible participants through payroll deductions.

3.05.100 Health Club

(a) All regular employees, probationary employees and Council Members who attend a health club at least four times a month are eligible to receive an annual reimbursement to offset the cost of an individual health club membership.

(b) The amount of the annual reimbursement is the employee's monthly dues up to a maximum of \$47 or the amount specified in a represented employee's Memorandum of Understanding.

(c) Reimbursement of health club dues is subject to federal and state income and payroll taxes. Participants are responsible for paying all applicable taxes.

3.05.110 Credit Union

(a) All employees, elected officials and their dependents are eligible to participate in the San Mateo County Employees Credit Union.

(b) All contributions are financed 100% by the employee.

3.05.120 Deferred Compensation

(a) The Town provides an option to any regular employee and Council Member to invest a portion of his or her present earnings in a deferred compensation plan on a pre-tax basis.

(b) Except as provided in the next paragraph, contributions to the program are financed solely by the participant, either through direct deposit or payroll deduction.

(c) For any regular, unrepresented employee and Council Member who participates in the Town of Colma's deferred compensation plan, the Town shall pay a sum equal to the amount withheld from salary by the participant and contributed to that participant's deferred compensation plan in an amount not to exceed one hundred dollars (\$100.00) per month. If the additional sum conferred by this benefit causes the participant's contribution to exceed the maximum amount allowed under federal law as deferred compensation, then such sum shall be reported as taxable income of the participant.

[Reference: See, Cal.Atty.Gen.Op. 2005-910]

3.05.130 Retirement Plan

(a) Retirement benefits are provided to eligible employees under the California Public Employees Retirement Law.

- (1) A local safety member of CalPERS is provided retirement benefits under the modified 3% @ 50 plan, 3% @ 55 plan, or 2.7% @ 57 plan, depending on eligibility; or
- (2) A local miscellaneous member of CalPERS is provided retirement benefits under the modified 2.5% @ 55 plan, 2% @ 60 plan, or 2% @ 62 plan, depending on eligibility.

(b) The Town shall contribute, for each eligible employee, the amount of the employer's contribution required by CalPERS. Each eligible employee shall contribute, by payroll deduction, the amount of the employee contribution required by CalPERS.

- (1) Employer and member contributions to the plan are mandatory.
- (2) Member contributions are paid pre-tax as prescribed by Internal Revenue Code section 414(h)(2).

(c) CalPERS administers the retirement plan and governs the distribution of funds upon member separation or retirement, as prescribed by law.

[Ref: Internal Revenue Code § 414(h)(2)]

[History: Adopted by Res 2008-03, 2/13/08; Amended by Res 2011-08, 4/13/2011;
Amended by Res 2014-04, 2/13/14]

3.05.135 Disability Retirement

(a) The City Council finds that the Town of Colma (hereinafter referred to as Town) is a contracting agency of CalPERS; the Public Employees' Retirement Law requires that a contracting agency determine whether an employee of such agency in employment in which he/she is classified as a local safety member is disabled for purposes of the Public Employees' Retirement Law and whether such disability is "industrial" within the meaning of such Law; and the City Council has determined that it may designate authority under Section 21173 of the Government Code to make such determinations to the incumbent of the office of City Manager.

(b) The City Council delegates to the incumbent of the office of City Manager authority to make determinations under Section 21152(c), Government Code, on behalf of the Town, of disability of all local safety member employees and whether such disability is industrial and to certify such determinations and all other necessary information to CalPERS.

[Reference: Gov't Code §§ 21151, 21152(c), 21154, 21157, 21173]

[History: Adopted by Res. 98-77, December 9, 1998; Added to Administrative Code by Res 2011-08, 4/13/2011; Amended by Res 2014-04, 2/13/14]

3.05.140 Social Security

- (a) All employees and elected officials are included as participants in the Social Security system (FICA) and Medicare.
- (b) Financing of the program is accomplished through contributions paid by each employee or elected official and the Town according to federal guidelines.

[History: Adopted by Res 2008-03, 2/13/08; Amended by Res 2011-08, 4/13/2011;
Amended by Res 2014-04, 2/13/14]

3.05.150 State Unemployment Insurance Benefits

- (a) All employees are eligible for unemployment insurance benefits, if they meet the statutory requirements for such benefits.
- (b) Elected officials are not eligible for unemployment insurance benefits under the Town's program.
- (c) The program is financed completely by the Town.

3.05.160 State Disability Insurance (SDI)

- (a) All employees are eligible for SDI, if they meet statutory requirements for benefits.
- (b) Elected officials are not eligible for SDI under the Town's program.
- (c) The program is financed completely by employees at a rate determined by the State and collected through payroll deductions.
- (d) Any benefits received under this insurance must be coordinated with any sick leave payments and workers' compensation benefits.

3.05.170 Workers' Compensation

- (a) All employees and elected officials are covered by the Town's workers' compensation insurance, a program of industrial insurance to protect workers, their families and dependents from loss due to an industrial accident or illness. Any person who performs voluntary service without pay for the Town of Colma shall be deemed to be an employee of the Town for workers' compensation purposes only, provided that the volunteer services are authorized by the City Manager.
- (b) Financing for this program is paid by the Town.
- (c) Any employee involved in an industrial injury or an occupational illness, as defined by the State Workers' Compensation Law, must follow procedures set up by the law to receive benefits.
- (d) Any benefits received under this insurance must be coordinated with any sick leave payments and disability insurance benefits.

[Reference: LABOR CODE § 3363.5]

3.05.180 Reimbursement for Education Expenses

(a) All regular and probationary promoted employees are eligible to participate in the Town's Education Reimbursement Program.

(b) The Town will reimburse eligible employees the cost of his or her job related education expenses incurred in a calendar year to a maximum of \$1,000, if all of the following conditions are met:

- (1) Courses must be offered by accredited colleges, universities or vocational training institutes and must be approved in advance by the City Manager;
- (2) Certification of satisfactory completion or a grade of C (2.0 grade point) or better is required to receive reimbursement; and
- (3) Reimbursement shall be allowed for tuition, registration fees, required text books, laboratory fees and other material costs submitted within 90 days of completion.